

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE

AUGUST 14, 2000

IN RE:)
)
BELLSOUTH TELECOMMUNICATIONS, INC.) **DOCKET NO. 98-00115**
TARIFF TO OBSOLETE ZIPCONNECT SERVICE)

**ORDER APPROVING BELLSOUTH TELECOMMUNICATIONS, INC.'S
TARIFF TO OBSOLETE ZIPCONNECT SERVICE**

This matter came before the Tennessee Regulatory Authority ("Authority") at the regularly scheduled Authority Conference held on April 6, 1999, for consideration of Tariff 98-00115 (the "Tariff") filed by the Petitioner, BellSouth Telecommunications, Inc. ("BellSouth"). The Tariff was originally filed with the Authority on February 19, 1998, to discontinue ZipCONNECT Service and to grandfather existing ZipCONNECT customers. ZipCONNECT is an intraLATA service that allows a subscriber with multiple locations to advertise one telephone number for that business service. BellSouth filed the Tariff because of limitations in the AIN Software Release 0.0 in meeting current market needs.

On March 3, 1998, the Consumer Advocate Division of the Office of the Attorney General ("Consumer Advocate") filed a Petition to Intervene in this matter. As the Tariff sought to discontinue ZipCONNECT Service while "grandfathering" the service to current customers, the Consumer Advocate alleged potential discrimination between existing "grandfathered" customers who would continue to receive the service and new customers to whom the service would not be available. At the regularly scheduled Authority

Conference held March 10, 1998, the Directors considered and unanimously voted to grant the Consumer Advocate's Petition to Intervene. Further, the Directors unanimously voted to suspend the Tariff for sixty (60) days through May 19, 1998 and to appoint General Counsel as the Pre-Hearing Officer to prepare this matter for hearing.¹ The Consumer Advocate requested that BellSouth file additional information relating to ZipCONNECT Service in order to allow the Consumer Advocate to properly evaluate the Tariff.

On September 30, 1998, BellSouth filed the Affidavit of Mr. Paul Stinson which stated that BellSouth's decision to discontinue ZipCONNECT Service was due to minimal customer interest and service limitations of the AIN software. According to the Affidavit, customer interest in ZipCONNECT Service has been limited for the following reasons:

- 1) Subscribers are interested in advertising their ZipCONNECT number over a wide geographic area however, the geographic area that can call a subscriber's ZipCONNECT number is limited;
- 2) Calls from toll free "800" numbers cannot terminate on a ZipCONNECT number and a ZipCONNECT subscriber cannot terminate calls to an "800" number;
- 3) The significant length of the sales cycle for ZipCONNECT requires resource intensive coordination between the customer and BellSouth;
- 4) Post-sales support is resource-intensive; and
- 5) The implementation of ten-digit local dialing adversely affects ZipCONNECT Service because it would require a subscriber to advertise a ten-digit local number in certain areas while advertising a more traditional seven-digit local number in other areas.

¹ The Tariff was subsequently re-suspended by the Authority at the May 5, 1998 Authority Conference for an additional ninety (90) days through August 17, 1998 and at the August 5, 1998 Authority Conference for an additional thirty (30) days through September 16, 1998. At a Pre-Hearing Conference held on September 15, 1998, BellSouth agreed to waive the period of time for entry of an order in this matter under Tenn. Code Ann. § 65-5-203(a) and 65-5-203(b).

Based on the representations contained in BellSouth's Affidavit, the Consumer Advocate withdrew its opposition to the Tariff by way of its letter filed with the Authority on February 19, 1999.

Subsequent to the aforementioned filings, the Authority requested that BellSouth file a revision to the Tariff in order to comply with the "grandfathering" guidelines established in Docket No. 97-01387, (United Telephone-Southeast, Inc.'s "Opportunity 800 Tariff").² BellSouth filed the requested revision on March 4, 1999, with an effective date of April 7, 1999. The Tariff revision provides for the following:

- 1) an open enrollment period until April 7, 1999;
- 2) service to existing customers to continue indefinitely or until the last existing customer terminates service;
- 3) if BellSouth decides to terminate the service while existing customers remain, the termination date will be submitted to the Authority for approval; and
- 4) BellSouth will provide at least sixty (60) days notice to existing customers prior to termination of service.

As established in its Order in Docket No. 97-01387³, the Authority looks at cases involving grandfathering on a case by case basis. From the record in this matter, the Authority finds that ZipCONNECT Service is a service of very limited use, which at the present time has as few as seven (7) customers. Upon the Consumer Advocate having withdrawn its opposition to the Tariff and upon finding that the revised Tariff otherwise

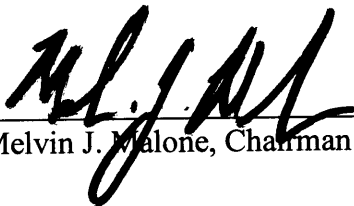
² *In Re: United Telephone – Southeast, Inc.'s Tariff to Obsolete Opportunity 800 Service and the Optional Calling Plan Point-to-Point and to Grandfather Service to Existing Customers (Tariff 97-262)*, Docket No. 97-01387, Order Amending and Approving Tariff No. 97-262 filed by United Telephone – Southeast, Inc., Tennessee Regulatory Authority, October 22, 1998.

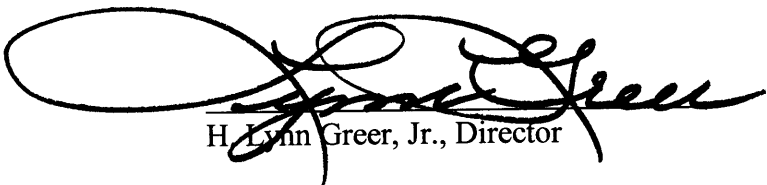
³ *Id.*

complies with established "grandfathering" guidelines, the Directors voted unanimously to approve the revised Tariff.

IT IS THEREFORE ORDERED THAT:

1. BellSouth's Tariff No. 98-00115, as revised, is approved.


Melvin J. Malone, Chairman


H. Lynn Greer, Jr., Director


Sara Kyle, Director

ATTEST:


K. David Waddell, Executive Secretary